

COUNCIL COMMUNICATION

AGENDA TITLE: Approve Agreement for Professional Services between City of Lodi and

Downtown Revitalization Consultants for the coordination of the development

of a Downtown Lodi Business Improvement Area (BIA).

MEETING DATE: August 20, 1997

SUBMITTED BY: Economic Development Coordinator

RECOMMENDED ACTION: To approve Agreement for Professional Services between City

of Lodi and Downtown Revitalization Consultants for the coordination of the development of a Downtown Lodi Business Improvement Area under California SB 1424 (section 36500 et seq. California Streets and Highways Code) and according to

the Scope of Work as outlined in Exhibit A (attached).

BACKGROUND INFORMATION: On May 7, 1997, the City Council approved a request from the

Lodi Downtown Business Association for the City of Lodi to

retain and fund the services of Mr. David Kilbourne of

Downtown Revitalization Consultants for the purpose of conducting a Downtown Business Improvement Area formation feasibility study. The cost of the study, which was \$5,000, was to be applied to the full BIA establishment fee in the event the City decided to pursue full and formal BIA establishment.

Over the past six weeks, members of the BIA Ad-Hoc Committee met for the purpose of determining whether there would be popular support for the establishment of a BIA in the traditional Lodi downtown district. The six weeks consisted of BIA-oriented meetings, workshops and presentations (report attached), and included the development of a Primary BIA Information Package which was hand delivered to all businesses (approximately 300) within the suggested district boundaries.

A BIA Concept Introduction Workshop was held at Hazel's Bar and Grill on the evening of July 29, 1997. Each of the business owners within the proposed district boundaries were invited to attend the workshop. The workshop was well attended and informative dialogue occurred relative to the merits and possible shortcomings of forming a BIA in downtown Lodi. At the conclusion of the meeting's discussion, a poll was taken to determine whether or not those in attendance favored moving forward with BIA establishment. Better than 90% of those present voted positively to proceed with the BIA.

APPROVED:

H. D. FLYNN
City Manager

Following the workshop, the BIA Ad Hoc Committee met on July 30, 1997. The Committee voted unanimously to proceed with BIA establishment at this time. Based upon the committee's concurrence and the high degree of support shown within the Lodi business community, the consultant is also recommending that we move immediately ahead through the full BIA establishment process. Six (6) months is the estimated time frame within which to complete the BIA formation.

A copy of the BIA Information Package, Agreement for Professional Services, Scope of Work and Consultant's BIA Feasibility Report are attached for your convenience and review.

FUNDING: \$15,000 (Community Promotions -- '97-'99 Financial Plan & Budget,

Page D-96)

Vicky McAthie, Finance Director

Respectfully submitted,

Tony C. Gockfring

Economic Development Coordinator

BIA INFORMATION PACKAGE

For Members of the Proposed Downtown Lodi Business Improvement Area

Prepared by the Ad Hoc BIA Establishment Committee

INTRODUCTION

Throughout the State of California, there are countless cities facing the problems of a declining Business Area.

The problem is often simply a failure to keep up with today's new merchandising trends. Sometimes it's a more serious problemabig, bright, new or new Wal-Mart or one of those new factory outlet centers that are siphoning off our merchants, our shoppers and their shopping dollars...or nearby metropolitan shopping alternatives such as Sacramento, Stockton and San Francisco.

The time has come for our downtown business community to unite. We must regain our energy and our commitment to this area. We, as a business community, must raise money for advertising and promotion. We must resolve to continue to get out and paint the storefront. We must strengthen our opportunities to buy the exciting new lines of merchandise.

Our downtown business community must find a way to remain and grow as a healthy, vital center. Downtown Lodi must increase its expertise in advertising and self promotion. The strong, coordinated management organization that is found in shopping centers and larger communities must be copied. Improved economic research and business development is needed to assure a better level of competition.

None of these things are really attainable on an individual basis, but most of them can be achieved at the community level with organization and management assistance.

The BIA program gives downtown Lodi businesses the opportunity to provide organization and management.....and economic success. Members of the Formation Committee, many of whom are your business neighbors, are available to visit you personally in order to answer any questions you may have concerning the information provided in this package. If your business or property is located in downtown Lodi, this program is designed for you. Your support is needed and will be greatly appreciated.

CONCEPT OVERVIEW, WHAT THE BIA IS

The BIA is a self-initiated Business Improvement Area funded by an annual benefit fee based on a formula developed by the Formation Committee which is made up entirely of Downtown Lodi business and property owners.

The benefit fee formula is based on type of business, size and location as a means of determining the most fair and equitable charge method possible. The benefit fee will be collected by the City and returned in total to local businesses for use to fund an annual and year-to-year program of economic stimulation and property value enhancement.

All business owners stand to directly benefit to a much greater extent than what their annual fee might be.

WHAT A BIA DOES FOR YOU

The formation of a Business Improvement Area is currently one of the most popular means of financing traditional central business Area revitalization efforts. The history and success of over 200 Business Improvement Areas throughout the state provides excellent examples of the benefits and virtues of the SB 1424 Legislation.

A few examples of merchants associations that have formed Business Improvement Areas in Northern California:

Chico Red Bluff Stockton Crescent City Eureka Davis Los Gatos Salinas Sacramento Ripon Susanville Auburn Modesto Fairfield Sonora Santa Cruz Grass Valley Pleasanton Los Altos Napa Redding

BENEFITS OF A BIA

- 1) Unifies all businesses to work toward a common goal, that of an economically revitalized Central Business District.
- 2) Mitigates retail sales leakage by allowing our area to compete more effectively for regional business through the generation of greater marketing resources and strengths.
- 3) Supports businesses in the area through commercial recruitment, retention and promotion as well as through the sponsorship of "shop at home" and image-building campaigns.
- 4) Creates a strong unified voice to represent business interests to local government agencies.
- 5) Helps fund other projects as suggested by business owners including clean-up programs, benches, lighting, decorations, parks, fountains and special events.

BUSINESS IMPROVEMENT AREA (BIA) CONCEPT HISTORY

Early in 1965, the California Legislature responded to the increasing problem of statewide central business Area decay by passing Assembly Bill 103.

This Bill was intended to give traditional smaller local business areas a means of charging themselves for the purpose of financing general economic improvement.

The legislation has undergone two major revisions since its inception. The most recent is SB 1424 ('89) which became effective January 1, 1990. This business improvement law continues to be a very functional method of economic improvement funding.

ESTABLISHMENT OF A DOWNTOWN LODI BUSINESS IMPROVEMENT AREA

A Downtown Lodi Business Improvement Area can be established at the request of local business owners. The City Council must first adopt a resolution stating the merchants' intent and the requirements of State law. The resolution must describe the proposed boundaries as well as set the time and place for a public hearing.

Notice of the public hearing on the proposed Business Improvement Area must be published in the newspaper and mailed to all business owners in the area. The City Council must then hold a public hearing to consider all oral and written protests regarding the formation of the Business Improvement Area.

If a majority protest is not filed, the City Council may establish the proposed Business Improvement Area by adopting an ordinance to that effect.

Territory cannot be added to the boundaries or changes made to the annual benefit fee without notifying business owners of that change, and then only after holding a full and formal public hearing. The adopted ordinance must include the method and basis of levying the benefit fees and the time and manner of collecting the fees.

The BIA program will be focused specifically on the Lodi Downtown business community and is clearly intended to bring specific individual benefits to all businesses within the overall boundaries.

There will be two "zones of benefit" with Zone A being the immediate downtown core area while Zone B will be made up of all Lodi businesses that are located within close proximity but outside the immediate core area. (see map)

If written protests are received by owners of businesses within the proposed area which will pay 50% or more of the benefit fees proposed, a Business Improvement Area, as described in the Council's resolution, cannot be pursued for one (1) year. If the majority protest is only against the furnishing of a specific type or types of improvement or activities, those types of improvements or activities must be eliminated.

WHY SHOULD DOWNTOWN LODI MERCHANTS CONSIDER THE ESTABLISHMENT OF A BUSINESS IMPROVEMENT AREA (BIA)?

A brief statement of benefits occurring to the downtown Lodi business community from a successfully established and operated BIA.

Benefits to the Business Community:

- 1) A BIA unifies all businesses to work toward a common goal, that of an economically revitalized Business Area.
- 2) A BIA helps to reduce retail sales leakage by allowing our area to compete more effectively for regional business through the generation of greater marketing resources and strengths.
- 3) A BIA supports businesses through commercial recruitment, retention and promotion as well as through the sponsorship of a "Shop Downtown Lodi First" program and image-building campaigns.
- 4) A BIA creates a strong unified voice to represent business interests to local government agencies.
- 5) A BIA helps fund other projects as suggested by business owners including clean-up programs, benches, lighting, decorations, parks, fountains, parking improvements and special events.

Benefits to City Hall:

It is a proven fact that of the many entities receiving direct benefit from a successfully run business improvement Area, the City itself receives by far the largest share of BIA benefits generated. A few specific benefits received by the City are as follows:

1) A significant increase in sales tax revenues will occur as a result of the ambitious new year-to-year campaign to attract new visitors and shoppers into downtown Lodi that will be sponsored by the BIA. Increases in sales tax revenues translates to a higher level of public safety in the form of police and fire protection as well as the maintenance of public property within the project area.

- 2) A primary BIA program is the filling of existing commercial vacancies, or vacancies as they occur, with the most desirable new businesses. The filling of commercial vacancies adds to the tax base of the City. An additional related BIA program is the strengthening of existing businesses through business retention efforts in order to prevent any loss of current businesses and sales tax revenues.
- 3) The chance of attracting new commercial development into the project area is greatly increased by virtue of the BIA's physical image improvement program as well as its commercial recruitment program. New commercial development adds to the City's tax base.
- 4) An additional BIA project is the development and implementation of an ongoing downtown-wide image building program. This campaign will be approached from both the conceptual (what people think of the area) and physical (what people see of the area) aspects. The ability to show off the commercial area with pride is a benefit to Lodi's Civic Leaders as well as to all merchants and property owners.
- 5) A BIA serves as a business community consensus building mechanism. A benefit to the City is the convenience of dealing with a well-organized merchant's organization rather than with each specific merchant on an individual basis.
- 6) The manifold benefits of a more attractive commercial area populated by the most desirable mix of businesses is an image that the City must desire for its community.
- 7) A BIA promotes historic preservation. The traditional downtown area of any city is its heart and soul as well as point of beginning of the city's development. The historic aspects of downtown Lodi must be preserved and promoted for the benefit of the City of Lodi as well as for all others concerned including businesses, property owners, residents and community organizations.

Benefits to Lodi Property Owners:

A business improvement Area will provide the following benefits to area property owners.

1) A stronger downtown Lodi commercial economy provides increased property values. Resale values and rent-lease rates are increased.

- 2) A BIA works to carry out commercial recruitment and retention programs as a direct means of reducing existing commercial vacancies, or vacancies as they occur, with the most desirable new businesses.
- 3) A successful BIA marketing program is an excellent incentive in attracting new business investment into the community.
- 4) A mentioned earlier, a stronger business economy generates increased sales tax revenues which provide public services in the form of police and fire protection as well as public area maintenance. These services benefit all property owners.
- 5) A BIA provides a more attractive, clean, well managed, safe and secure commercial area in which to own property.
- 6) A BIA will work to improve parking within the project area.
- 7) A BIA will sponsor an ongoing image improvement campaign which will benefit every property owner located within the Area boundaries.
- 8) These benefits listed above are provided at no cost to local property owners as the BIA annual fee is collected from business owners only.

Benefits to Lodi Community Members:

Residents and residential areas will benefit in several ways:

- 1) increased residential property values.
- 2) commercial vacancies will be reduced.
- 3) a better selection of merchandise offered locally, by locally-owned businesses.
- 4) a more attractive downtown business Area through streetscape beautification and facade improvement programs.
- 5) Finally, an economically healthy downtown Lodi area provides for a healthier overall community.
- 6) Residents, like commercial property owners, will be benefited at no cost by the formation of a Business Improvement Area.

BIA SAFETY FEATURES

1) Provided under state law:

The BIA formation process provides for a system of checks and balances which very effectively protects participating merchant from escalating benefit fees or misuses of the annual funds as follows:

- a) The benefit fee cannot be increased once the BIA is approved without a full and formal public hearing before the City Council.
- b) The BIA must be re-approved by the membership annually.
- c) The BIA membership controls how the money is spent and what the annual programs are to be.
- d) The BIA membership elects its own Board of Directors.
- e) The annual fees collected can only be spent within the Areas boundaries and can only be used for the specific physical and economic revitalization of the area.
- f) The BIA can easily be dis-established by the members presenting Council with a petition representing 50% or more of the annual fees paid.
- 2) Provided within local ordinance:
- a) Will confirm full and immediate payment of funds collected.
- b) Will confirm sanctity of program, budget, administration, etc.
- c) Will re-confirm sponsoring agency controls...including:
 - *selection of BIA Advisory Board
 - *development and implementation of programs
 - *management and expenditure of fees collected
- d) A Memo of Understanding (MOU) may be attached to the BIA ordinance as a further means of documenting.

ANNUAL BIA PROGRAMS

Downtown Lodi Business Improvement Area Programs. Recommended for consideration and approval by the BIA General Membership.

1) A DOWNTOWN LODI COMMERCIAL MARKETING PROGRAM:

For the purpose of strengthening existing businesses as well as attracting new business investment into the downtown Lodi business community.

- A) Establishment Of A Permanent Commercial Marketing Committee. Representatives from all locations and types of businesses within downtown Lodi will be asked to consider being active on a permanent Promotion and Advertising Committee and to become involved with the planning and implementation of the Annual Commercial Marketing Program.
- B) A Concept, Marketing Theme and Graphic Design Will Be Created and Utilized In The Development Of A Commercial Marketing Strategy. This approach is to be implemented through "institutional "(non-retail) advertising and will emphasize the positive aspects of the downtown Lodi commercial business Area. Several examples to be considered are:
- 1) The Historic Significance and Architectural Heritage offered by Lodi's downtown business community must be considered as a natural theme to be emphasized in a campaign to re-define the local image.
- 2) The BIA Marketing Committee will develop graphic design guidelines for the production of a theme-based illustration to be used as a primary marketing strategy tool.
- This design will serve the purpose of a long-term theme/image tool to be used to accentuate and promote downtown Lodi's architectural heritage and historic significance. Possible specific details of the marketing design might include a turn-of-the century nostalgia concept, family scenes, examples of Lodi's architectural heritage and historic buildings as well as grape producing industry-related items such as wine labels, etc.
- 3) The historic significance of Lodi's downtown architecture could be colorfully illustrated through a series of wall murals depicting Lodi's commercial heritage as well as through graphic design artwork that can be used for the development of public relations-oriented items such as posters, garments, postcards, placemats and newspaper advertising.

C) The BIA Will Develop Programs Designed To Specifically Assist With The Mitigation Of Retail Sales Leakage:

BIA members will work toward the development of a program to mitigate retail sales leakage. This program offers a great deal of incentive to the City as a successfully implemented program results in greatly increased sales tax revenues.

- Create marketing programs intended to slow or eliminate the community shopper's habit of traveling to nearby metropolitan shopping alternatives in Sacramento and San Francisco.
- Develop merchandising programs designed to compete more effectively with national retail merchandising outlets offering warehouse provided goods and services.
- Carry out public relations programs intended to make the community shopper more sensitive to the need to support locally owned and operated businesses. Emphasize the community-wide benefits of sales tax revenues as a primary means of financial support for community services such as police and fire protection.
- Carry out a "Shop Downtown Lodi First" marketing campaign. Promote the commercial diversity of the traditional downtown business community through development of a program emphasizing the wide range of goods and services provided within the traditional Lodi central business Area.
- D) The BIA Will Work Toward The Development Of A Tourism Stimulation Program:

The Lodi Downtown Business Association and the Chamber will work actively in the development of an aggressive campaign exploring ways and means of bringing more tourism activity into the traditional business community area by developing and offering a theme that would work well when promoting the downtown Lodi area on a regional basis. This effort additionally offers the possibility of attracting and retaining a portion of the many daily travelers as they pass nearby on Highways 99 and I-5 by using a creative and colorful promotion program that might include the use of outdoor advertising.

E) The BIA Will Work Toward Development Of An Annual Program Of Retail-Oriented Events And Activities, i.e., Sidewalk Sales, restaurant-oriented marketing events, holiday themes and programs, Easter-oriented sales events, Father's Day - Mother's Day events, Back-To-School promotions, End-Of-Year sales campaigns, President's Day Sales, etc.

F) The BIA Will Work Toward Development Of An Annual Program Of Special Events, Fairs And Festivals that are not necessarily retail-oriented, and in fact, may serve as successful program fund-raisers such as a well-managed and colorful program of special events and street fair activities intended to focus public attention and patronage on the downtown Area as well as on the overall community. Examples of these activities would include parades, festivals, fairs, seasonal events, farmers markets, concerts, holiday themes and celebrations, etc

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a) The BIA Program will include working toward achieving the highest and best use of all available commercial properties within the project area.

Careful consideration will be given to secondary uses that do not add to the dynamic image of the downtown Lodi business community. These secondary use business types, when combined with "functional vacancies" such as "hobby" businesses, are a negative element that must be improved in order to allow the business community area to become the dynamic and upbeat sector of the overall community that is desired by the City as well as by all merchants and property owners having an interest in the health and welfare of downtown Lodi's commercial Area.

- b) Commercial Recruitment Surveys The BIA Program will sponsor a series of shopper and community member Preference Surveys to determine most desired new businesses to fill existing vacancies or vacancies as they occur. Surveys may be carried out through workshops as well as through shopper interception questionnaires.
- c) Following the completion of the survey series, the BIA Program will sponsor the creation of a Commercial Recruitment Information Package to be used and distributed by the LDBA, the City of Lodi, members of the business community, the Chamber of Commerce, project area property owners and local real estate brokers for the purpose of stimulating appropriate new investment into the project area. A partial listing of items to be included:
- area-wide economic profile and demographics
- a listing of all vacancies presented as "commercial opportunities"
- a listing of incentives offered to new businesses
- a report of results from recent shopper preference surveys
- a description of economic development programs and projects currently under way within the downtown business community area

THE BIA PROGRAM WILL INCLUDE THE DEVELOPMENT AND IMPLEMENTATION OF A DOWNTOWN COMMERCIALLY-ORIENTED CIVIC BEAUTIFICATION AND VISUAL IMPROVEMENTS PROGRAM

The BIA Committee will sponsor a program for the purpose of developing Commercial Marketing-Oriented civic beautification "special effects" projects including the following cost-effective visual improvements that would possibly promote the Lodi downtown business community's character, history and personality.

- public arts programs, super graphics and wall murals
- the use of flags and banners on a year-round basis
- pedestrianization programs
- programs of seasonal decorations and information kiosks
- possible development and/or preservation of community landmarks
- possible consideration of a facade improvement program as a means of financially assisting project area property owners with needed store front rehabilitation projects.
- consideration of business community entrances, welcome arches, monumentation and signage leading into the downtown area.
- visitor amenities such as sidewalk furniture, water fountains, trash receptacles and public restrooms
- planting additional street trees, shrubs and flowers
- clean up and visually improve any existing commercial vacancies as well as undeveloped or underdeveloped parcels
- consideration of aesthetic, uniform, public and private signage
- other visual "special effects" for the business community as suggested by the Committee

BIA Committee members will facilitate a slide discussion illustrating what cities and business Areas throughout the state and country are doing in the area of civic beautification and physical image enhancement.

A discussion of costs of visual improvement projects will also be carried out with specific recommendations made for creating and implementing the most cost-effective physical image development approach.

4.) PROJECT AREA PARKING IMPROVEMENTS

- BIA to possibly sponsor the creation of a directory of public parking facilities
- BIA to possibly carry out beautification efforts in existing parking areas as a project of the overall downtown Lodi Civic Beautification Program.
- BIA to possibly work on public and private signage for existing parking areas
- BIA to encourage the development of additional public parking areas as needed

note: It is hoped that additional parking improvement projects and programs will be suggested by the downtown Lodi business community.

5) PROVIDE A SUPPORT SYSTEM FOR BIA PROGRAMS MANAGEMENT

It is suggested that the Lodi Downtown Business Association (LDBA) serve as the BIA management organization.

The possibility of obtaining interns or work-study program students to assist with implementation of BIA projects will be actively pursued.

A special "BIA Advisory Board" will be elected by BIA member businesses to provide overall program management supervision. Anyone owning a business within the BIA boundaries will be qualified to serve as a member of the Advisory Board.

Proposed Lodi BIA Annual Benefit Fee

ZONE A		ZONE B			
Retailers and					
Restaurants	\$200. (1-3 emp.)	\$100.			
	\$300. (4-6 emp.)	\$150.			
	\$400. (7 + emp.)	\$200.			
Service Businesses	\$150.	\$ 75.			
Professional Businesses	\$100.	\$ 50.			
Financial Institutions	\$500.	\$500.			

note: retail and restaurant businesses will be charged on size which will be determined by number of employees, either full-time or the equivalent made up of multiples of part-time employees.

Business type definitions:

Retail and Restaurant: Businesses that buy and resell goods, examples are clothing stores, shoe stores, office supplies as well as businesses that sell prepared foods and drinks.

Service Businesses: Businesses that sell services. Examples are beauty and barber shops, repair shops, lodging, most automotive-oriented businesses, entertainment businesses such as theaters, etc.

Professional Businesses: Includes Architects, Engineers, Attorneys, Dentists, Doctors, Accountants, Optometrists, Realtors, Insurance Offices, Mortgage Brokers and most other businesses that require advanced and/or specialized licenses and/or advanced academic degrees.

Financial Institutions: Includes banking and savings and loan institutions as well as credit unions, etc.

DRAFT

Recommended Annual Downtown Lodi Business Improvement Area Budget

Program	Amount		Percent
	private sector	/ public sec	ctor*
1) Development and Implementation of Downtown Marketing Strategy	\$ 25,000	/ 000	50%
2) Streetscape Beautification, Seasonal Decorations and Public Arts Programs	\$ 10,000	/ 000	20%
3) Commercial Recruitment And Retention	\$ 5,000	/ 000	10%
4) Parking Improvements	\$ 2,500	/ 000	5%
5) Programs Administration	\$ 7,500	/ 000	15%
	\$ 50,000	/ unknow	/n 100%

^{*} it is felt that if the business community supports the formation of a BIA, the City may consider supporting the BIA formation and operation, both in concept and financially.

Area Zones of Benefit boundaries for attached map

Zone A: All businesses located <u>inside</u> the shaded area of the map

Zone B: All businesses that are within the shaded area of the map

NOTE: All Zone B businesses will pay significantly less than Zone A businesses as it is understood that many Area programs will begin in Zone A and spread benefit to Zone B.

AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN CITY OF LODI AND DOWNTOWN REVITALIZATION CONSULTANTS

THIS AGREEMENT is made and entered into as of August 1, 1997 by and between CITY OF LODI, hereinafter called "CLIENT" and the DOWNTOWN REVITALIZATION CONSULTANTS, hereinafter called CONSULTANT.

RECITALS

THIS AGREEMENT is entered into with reference to the following facts and circumstances:

- A. That CLIENT desires to engage CONSULTANT to render certain professional services in the coordination of the development of a Downtown Lodi Business Improvement Area under California SB 1424 (section 36500 et seq. California Streets and Highways Code).
- B. That CONSULTANT possesses specialized skills and knowledge and, thus, is eminently qualified to provide such services; and;
- C. That CLIENT has elected to engage the services of CONSULTANT upon the terms and conditions as hereinafter set forth.
- (1) Services. The services to be performed by CONSULTANT under this Agreement shall include those services set forth in **EXHIBIT A**, "Established of a Business Improvement Area within the City of Lodi under Cal. SB 1424", which is, by this reference, incorporated herein.

Performance of the work specified in **EXHIBIT A** is hereby made an obligation of CONSULTANT under this Agreement, subject to any changes that may be made subsequently hereto upon the mutual written Agreement of the said parties.

(2) **Term of Agreement**. This Agreement shall commence on August 1, 1997 and shall continue in full force and effect until completion of the tasks set forth in **EXHIBIT A** as described in the preceding section, or until terminated by thirty (30) days written notice by either party, or one year from commencement, whichever occurs first.

- (3) Compensation. Payment under this Agreement shall be in accordance with **EXHIBIT** "B", which is by this reference, incorporated and made part hereof of this professional services agreement.
- (4) Authorization and Termination. This Agreement becomes effective when signed by both parties in the space provided below, and may be terminated with thirty (30) days written notice.
- (5) Reliance on Professional Skill of CONSULTANT. The CONSULTANT represents that it has the necessary professional skills to perform the services required and CLIENT shall rely on such skills of the CONSULTANT to do and perform that work.
- (6) Relationship of Parties. It is understood that the relationship of CONSULTANT to CLIENT is that of an independent contractor and all persons working for or under the direction of CONSULTANT are its agents or employees and not agents or employees of CLIENT.
- (7) **Non-Assignment.** This Agreement is not assignable either in whole or in part.
- (8) Amendments. This Agreement may be amended or modified only by written agreement signed by both parties.
- (9) Validity. The invalidity in whole or in part of any provision of this Agreement shall not void or effect the validity of any other provisions of this Agreement.
- (10) Governing Law. This Agreement shall be governed by the laws of the State of California and any suit or action initiated by either party shall be brought in the County of San Joaquin, State of California. In the event of litigation between the parties hereto to enforce any provisions of the Agreement, the unsuccessful party will pay the reasonable expenses of litigation of the successful party.
- (11) Conflict of Interest. The CONSULTANT may serve other clients, but none who conduct business that would place CONSULTANT in a "conflict of interest" as that term is defined in State law.
- (12) Entire Agreement. This Agreement, including EXHIBIT A and EXHIBIT B, comprises the entire Agreement.

(13) Indemnity. THE CONSULTANT shall defend, indemnify and hold CLIENT harmless from any and all claims and liabilities related to or as a result of CONSULTANT'S performance of this Agreement.

(14) Notice. All notices required by this Agreement shall be given to CLIENT and CONSULTANT in writing, by first class mail, postage prepaid, addressed as follows:

Client:	City of Lodi		
Consultant:	Downtown Revitalization Consultants P.O. Box 3338		
	Chico, CA 95927		

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the date first above written by their respective officers duly authorized in that behalf.

Dated: 8-1-97	City of Lodi
	BY:
Dated: 8-1-97	Downtown Revitalization Consultants
	BY:

EXHIBIT B

CONSULTING FEE

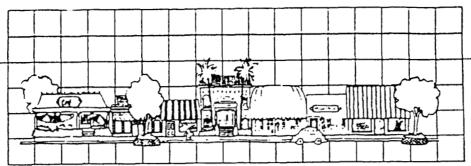
A TOTAL OF \$15,000. IS REQUESTED TO COVER ALL COSTS OF PHASE TWO OF THE CREATION OF A <u>DOWNTOWN LODI BUSINESS</u> <u>IMPROVEMENT AREA (BIA)</u>

MAXIMUM COMPENSATION FROM CLIENT IS NOT TO EXCEED THE AMOUNT OF \$15,000. WHICH CHARGES WILL BE REPRESENTED BY BILLING OF TIME AND MATERIALS TO INCLUDE ALL CONSULTANT EXPENSES.

FEE DETAIL:

FOUR MONTHS TO BE BILLED IN EQUAL PAYMENTS OF \$3,750. PER MONTH

TOTAL FEE IS \$15,000.



Downtown • Revitalization • Consultants

Director
Dave Kilbourne,

Report Regarding Feasibility of Establishing A Downtown Lodi Business Improvement Area (BIA)

To: Tony Goehring, City Staff Liaison, BIA Establishment Committee From: Dave Kilbourne, Downtown Revitalization Consultants

Re: Report On Business Improvement Area Establishment Feasibility For Downtown Lodi

After 4 weeks of meetings with the Ad Hoc BIA Establishment Committee which represented a diverse cross-section of the Lodi business community, the following report provides you with the recommendations of Downtown Revitalization Consultants concerning the possibility of establishing a BIA within the downtown Area of Lodi at this time.

A brief review of BIA-oriented Meetings, Workshops and Presentations:

1) Members of the BIA Committee and the consultant met over a period of six weeks for the purpose of determining whether there would be popular support for the establishment of a BIA in the traditional Lodi downtown Area.

During the initial three committee meetings, a number of issues were discussed and resolved to the satisfaction of the Committee and the

Consultant. Involved in those discussions were the following BIA-related issues.

- A) An on-going BIA concept orientation process for the benefit of Committee Members.
- B) Discussions regarding possible BIA boundaries.
- C) Development of the most up-to-date inventory of businesses located within the suggested boundaries.
- D) Discussions regarding what downtown improvement programs the BIA might sponsor.
- E) Discussions regarding what might be the most fair and equable annual BIA benefit fee.
- F) Discussions regarding the total revenue that the BIA might generate as well as development of the Annual BIA Budget with specific program line items.
- G) Other items as introduced by the consultant or members of the committee.
- 2) Following several weeks of discussions as indicated above, the consultant developed the <u>Primary BIA Information Package</u> to be distributed to all businesses within the suggested Area boundaries. Attached to this information package was an invitation to all business owners to attend a BIA Concept Introduction Workshop to be held at Hazel's Bar and Grill on the evening of July 29.

On the evening of July 29, the BIA Concept Introduction Workshop was conducted with eighty-five members of the downtown business community in attendance. This turn-out was considered excellent by all standards as the average attendance for an evening BIA workshop is typically more in the range of 30-40 participants.

During this information workshop, the full BIA Information Package was reviewed, page-by-page, for the purpose of fully informing members of the Lodi business community.

Following approximately ninety minutes of BIA concept information presentation provided by both the consultant and LDBA President Tony Segale, the program was opened to the floor in order that any concerns and/or questions might be discussed and answered.

Numerous questions regarding the actual formation procedure as well as the actual cost per business and how the funds collected would be utilized were addressed during this time.

At the end of the very active and energized question and answer session, which evolved into a general round table discussion of the merits and possible shortcomings of forming a BIA in downtown Lodi, a show of hands of all those present who were in favor of moving ahead with the establishment of the BIA was asked for.

Of the eighty-five individuals present, it appeared that five, or possibly six declined to show support at that time. Using this information, it appeared to the consultant and members of the committee that there was in excess of 90% of those present at this very well attended meeting that were in favor of moving ahead with BIA establishment at this time.

Of special interest to the committee and the consultant was the fact that there were a significant number of business owners present at the meeting that had announced their opposition to the BIA earlier during the day of the workshop. Many of these individuals stated that they had strong reservations regarding the BIA prior to the workshop and that their reservations were based, on the most part, on incomplete information concerning the BIA. They unanimously concluded the meeting with statements of strong support of BIA establishment.

3) The consultant as well as several members of the committee spent time the morning following the workshop speaking to merchants on the street in order to get follow-up confirmation regarding BIA establishment support. The consultant personally spoke (individually) to the owner of a new downtown restaurant-bar-night club, a large antique emporium and a member of the professional services category. In all cases, these individuals held significant reservations or outward opposition to BIA establishment prior to the evening workshop. The following morning they were unanimous in their opinion that BIA establishment should be pursued.

- 4) According to information provided to the consultant, no opposition to BIA establishment has been received either verbally, or in writing, by Lodi City Hall.
- 5) During the recent final BIA Ad Hoc Committee meeting of July 30, the Committee voted unanimously to proceed with BIA establishment at this time.

Summary:

It is felt by this consultant that, based on the high degree of support recently shown within the Lodi business community, there is currently more than adequate support indicating strong feasibility for moving ahead through the full BIA establishment process at this time.

Please contact me at your convenience should you have questions regarding the subject of, or recommendations made within, this memo.

Dave Kilbourne
Director
Downtown Revitalization Consultants
7-31-97

SCOPE OF WORK, DOWNTOWN LODI BUSINESS IMPROVEMENT AREA ESTABLISHMENT PROGRAM

Downtown Revitalization Consultants: Outline Of Consulting Services And Responsibilities Regarding The Formation Of A Downtown Lodi Business Improvement Area

- 1) Continue to provide general BIA formation assistance to BIA Formation Committee.
- 2) Continue to carry out orientation sessions with Formation Committee regarding the BIA concept as well as the overall formation process.
- 3) Continue to meet with key personnel with regard to formation procedures, i.e., City Staff, City Council, Chamber of Commerce, local business leaders, local media reps., etc.
- 4) Confirm establishment of Area boundaries, and zones of benefit, that are logical, natural and that illustrate benefit potential.
- 5) Continue to work with Formation Committee and City to develop current listing of all businesses existing within recommended boundaries.
- 6) Final confirmation of suggested assessment formula using matrix format indicating zones of benefit and business-type benefit.
- 7) Final development of draft annual operating budget projected from list of currently existing businesses combined with assessment matrix.
- 8) Assist with creation of Lodi Downtown Economic Development program(s) based on input from Establishment Committee as well as from general BIA membership.
- 9) Finalize development of benefit rational re: zones of benefit, location of businesses within Area and types and sizes of businesses within Area.
- 10) Continue to develop a public relations campaign through the use of the comprehensive information package explaining benefits and virtues of SB 1424 Area formation.
- 11) Plan, promote and facilitate a public information workshop as means of further developing public relations effort.

- 12) Possibly organized distribution of Second Edition Primary Information Package to all businesses located within suggested Area boundaries, if needed.
- 13) Organize Formation Committee visits to each business as follow-up to information package distribution. Assist with development of peer-type business teams.
- 14) Work with City Staff and City Attorney to develop specific calendar of BIA legal notices and hearings.
- 15) Provide guidelines for drafting of Resolution of Intention (ROI) and BIA Ordinance.
- 16) Work with City to accommodate legal requirements of Resolution of Intention publication and distribution.
- 17) Assist with development of petitions of support or non-opposition, if needed.
- 18) Meet with area formation opposition, if necessary.
- 19) Further development of public relations campaign shaped to meet concerns of opposition, if necessary.
- 20) Hold additional public information workshop, if necessary.
- 21) Provide necessary approval documentation guidelines to City, as requested:
 - a) Cover letter from Committee to be attached to Resolution
 - b) Memo of Understanding
 - c) Resolution of Intention
 - d) City Ordinance forming Area
- e) Contract for BIA Administrative between sponsoring agency and City of Lodi
- 22) Assist with development of support attendance at Protest Hearing
- 23) Meet with City Attorney, City Staff, Formation Committee, etc. for final review of Protest Hearing Format.
- 24) Attend Protest Hearing in advisory capacity.
- 25) Work with City Staff to set up billing collection procedures.
- 26) Other Project consulting activities as necessary.

RESOLUTION NO. 97-129

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE CITY MANAGER TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH DOWNTOWN REVITALIZATION CONSULTANTS FOR THE COORDINATION OF THE DEVELOPMENT OF A DOWNTOWN LODI BUSINESS IMPROVEMENT AREA (BIA)

BE IT RESOLVED, that the Lodi City Council hereby authorizes the City Manager to enter into a Professional Services Agreement with Downtown Revitalization Consultants for the coordination of the development of a Downtown Lodi Business Improvement Area, as outlined in the Scope of Work marked Exhibit A attached hereto and made a part hereof.

Dated: August 20, 1997

I hereby certify that Resolution No. 97-129 was passed and adopted by the Lodi City Council in a regular meeting held August 20, 1997 by the following vote:

AYES: Cou

Council Members -

NOES:

Council Members -

ABSENT:

Council Members -

ABSTAIN:

Council Members -

ALICE M. REIMCHE City Clerk



SCOPE OF WORK, DOWNTOWN LODI BUSINESS IMPROVEMENT AREA ESTABLISHMENT PROGRAM

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- 24) Attend Protest Hearing in advisory capacity.
- 25) Work with City Staff to set up billing collection procedures.
- 26) Other Project consulting activities as necessary.

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